AkzoNobel

9th August, 2016

The Secretary
Bombay Stock Exchange Ltd.
Market Operations Department
1st floor, New Trading Ring
Rotunda Building, P J Towers
Dalal Street, Fort
Mumbai - 400 001
Fax 022 22723121, 3719, 2037

The Secretary
National Stock Exchange of India Ltd.
Exchange Plaza, 5th floor
Plot No C/1, G Block,
Bandra-Kurla Complex
Bandra (E)
Mumbai - 400051
Fax No 022 26598237/38

Dear Sir,

Minutes of Annual General Meeting held on 26 July 2016

Attached please find a copy of Minutes of Annual General Meeting of Members of Akzo Nobel India Limited held on 26th July 2016 at Kolkata.

Yours faithfully,
For Akzo Nobel India Limited

R. Guha
Company Secretary

Encl. a/a

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Akzo Nobel India Limited

Minutes of 62nd Annual General Meeting of Members of Akzo Nobel India Limited held on 26th July, 2016 at Hotel Hyatt Regency, Salt Lake City, Kolkata- 700 098

Present on the dais

Mr Nihal Kaviratne CBE	Chairman
Mr J Krishnaswamy	Managing Director – also representing Akzo Nobel Coatings International B.V., The Netherlands
Mr Pradip Menon	Wholetime Director -- also representing Akzo Nobel Chemicals International B.V., The Netherlands
Mr Amit Jain	Non Executive Director – also representing Imperial Chemical Industries Limited, UK
Mr R Gopalakrishnan	Independent Director
Dr S Misra	Independent Director
Mr R S Kapoor	Independent Director
Ms K Narsimhan	Independent Director
Mr R Guha	Secretary

The attendance of members at the Meeting was as follows:

Members	No	No of shares
Members present in person	344	11800
Members present by Proxy	26	402
Representation u/s 187	6	34044039
Total	**376**	**34056241**

Mr Rakesh Dewan, Partner, BSR & Associates LLP, the Auditors of the Company for the financial year 2015-16, was present at the meeting.

Following documents were open for inspection by the members at the meeting:

a) Register of Directors' Shareholding.
b) Minute Book containing inter alia the Minutes of the previous Annual General Meeting held on 14 August 2015.
c) Agreement dated 3 March 2014 between Mr J Krishnaswamy, Managing Director and the Company.
d) Agreement dated 1 Feb 2016 between Mr Pradip Kumar Menon, Wholetime Director and the Company.

1. **Chairman's address**

The quorum being present, the Chairman called the 62nd Annual General Meeting ("AGM") of the Company to order at 14:00 hours and extended a warm welcome to the Members and Proxy holders present.

On invitation from the Chairman, the Security Officer at Hyatt Regency Hotel announced the administrative guidelines to be followed at the AGM venue and the steps to be taken in case of any safety or health emergency. Those present were requested to keep their mobile phones switched off to avoid any disturbance to the proceedings at the meeting.

After the safety announcement, the Chairman introduced the Directors seated on the dais. He informed that Mr Arvind Uppal, Independent Director and Mr Arabinda Ghosh, Non-executive Director could not attend the meeting due to prior commitments and have sent their apologies.

Thereafter the Chairman spoke briefly about the changes that have taken place in the Board since the previous year's Annual General Meeting as follows:

Mr Pradip Kumar Menon joined the Board as a Wholetime Director of the Company w.e.f. 1st February 2016. His appointment was followed by resignation of Mr Himanshu Agarwal who stepped down from the Board in August 2015.

The Chairman placed on record the Company's deep appreciation and thanked Mr Himanshu Agarwal for his valuable contributions during his tenure and welcomed Mr Pradip Kumar Menon on the Board.

Thereafter, the Chairman shared some of his thoughts on the business environment in India and outlined the progress made by the Company during the year 2015-16, details of which are attached as **Annexure 1** to these minutes.

At the request of the Chairman, Mr Jayakumar Krishnaswamy, Managing Director, made a presentation giving an overview of the Company, its businesses and market conditions. He also highlighted the investments and efforts made to pursue sustainable growth for the Company.

The Chairman then proceeded to take up the formal business of the meeting.

2. **Notice of the Meeting**

Notice of the Annual General Meeting ('AGM'), which had been circulated to all the members, was taken as read with the consent of the members present. A copy of the said Notice dated 13 May 2016 is attached as **Annexure 2** to these minutes.

3. **E-voting and Physical Ballot**

The Chairman stated that under provisions of Companies Act 2013, shareholder approval for the resolutions proposed in the Notice for the AGM need to be obtained through remote E-voting ('e-voting') process. Instructions for e-voting have been circulated to all shareholders along with the Notice of the AGM. The Company had utilized the e-voting platform provided by National Securities Depository Limited (NSDL) for the purpose. Mr AK Labh, Practising Company Secretary, Kolkata was appointed as the scrutinizer for the E-voting process.

E-voting window for the resolutions proposed in the Notice of AGM dated 13 May 2016 was open from 23rd July 2016 to 25th July 2016.

In addition to e-voting, physical ballots were also made available at the AGM venue to facilitate voting by those Members who could not make use of the e-voting facility.

4. With the permission of the Chairman, some of the members present, as listed in **Annexure 3**, sought certain clarifications and explanations relating to the accounts. The Chairman answered the pertinent questions from the members, and took up the items on Notice convening the AGM.

The Chairman stated that:

a. Items 1 to 3 of the Notice of AGM are Ordinary Business; and Items 4 to 6 are 'Special Business';

b. All items on the Notice have been proposed as 'Ordinary resolutions';

and proceeded to take them up in sequence.

4.1 **Adoption of financial statements**

It was noted that the Auditors report on the financial statements for the year ended was an unqualified report and did not contain any observations or comments on financial transactions or matters, which have any adverse effect on the functioning of the Company.

The following resolution was proposed as an Ordinary Resolution:
"Resolved that the audited statement of Profit and Loss for the financial year ended 31 March 2016, the audited Balance Sheet as at that date and the Reports of the Directors and Auditors thereon be adopted."

4.2 **Dividend**

The following resolution was proposed as an Ordinary Resolution:

"Resolved that dividend on the Equity Shares of the Company for the financial year ended 31st March, 2016 be and is hereby declared at the rate of Rs.20.00 per equity share plus special dividend of Rs 50.00 per equity share payable to those members whose names appear on the Register of Members as on the last date of Book Closure in respect of their equity shareholding or the corresponding Ex-Dividend date for the Demat shareholders."

4.3 **Re-appointment of Mr Arabinda Ghosh as a Director**

The following resolution was proposed as an Ordinary Resolution:

"Resolved that Mr Arabinda Ghosh (DIN 07194797) be and is hereby re-appointed a Director of the Company."

4.4 **Appointment of Auditors**

The following resolution was proposed as an Ordinary Resolution:

"Resolved that the Auditors, M/s Price WaterHouse Chartered Accountants LLP, (ICAI Firm Registration No: 012754N/ N500016), be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company at the remuneration as given below:

Statutory Audit	Rs 5.0 million
Statutory Certification	Rs 1.5 million

In addition, reasonable out-of-pocket expenses and service tax as applicable may also be reimbursed to the Auditors. Any other fees for certification and other permissible services may be billed by the Auditors at such rates as may be agreed between the Auditors and the Company."

4.5 **Approve appointment of Mr Pradip Kumar Menon as Wholetime Director of the Company and fix his remuneration**

The following resolution was proposed as an Ordinary Resolution:

"Resolved that this Meeting hereby approves the appointment of Mr Pradip Kumar Menon (DIN 07417530) as a Wholetime Director of the Company, in terms of sections 196, 197, 203 and other applicable provisions, read with Schedule V of the Companies Act, 2013, for a period of five years with effect from 01 February 2016 and payment of such remuneration to Mr Pradip Kumar Menon during the tenure of his appointment as set out in the agreement dated 01 February 2016 entered into between him and the Company, a copy of which was placed before the Meeting."

4.6 Ratify Payment of remuneration to Cost Auditors

The following resolution was proposed as an Ordinary Resolution:

"Resolved that the remuneration of Rs 0.75 million, in addition to reimbursement of travel and out-of-pocket expenses, to M/s Chandra Wadhwa & Co., practicing cost accountants, holding registration number 00239 allotted by The Institute of Cost Accountants of India, appointed as the Cost Auditors of the Company for the year 2016-17 by the Board of Directors, be and is hereby ratified."

5. Voting process and Results announcement

The Chairman then invited the shareholders who had not participated in the remote e-voting to collect Ballot Paper from Mr A K Labh, Scrutinizer, to cast their vote.

He further announced that the votes will be compiled by Mr A K Labh, Scrutinizer, after considering the valid votes polled at this meeting together with the votes polled through remote e-voting, and the results will be announced at the registered office of the Company by 27 July 2016 and the same will be available at the Company's website as well as the website of NSDL. The results will also be filed with the stock exchanges as required under the regulations.

6. Vote of Thanks

Mr Manoj Kumar Gupta (folio no MKG044) proposed and Mr B K Mehta (folio no BKM 059) seconded the vote of thanks to the chair.

The Chairman once again thanked the Members and the meeting ended at 1630 hrs.

N Kaviratne CBE
Chairman

Annexure 1

62nd Annual General Meeting of Akzo Nobel India Limited

Address by Mr Nihal Kaviratne CBE, Chairman

Distinguished Shareholders,

Welcome to the 62nd Annual General Meeting of your Company. It gives me great pleasure to be with this distinguished gathering today. Before I begin talking about our present achievements, our plans and priorities, may I request you to look back to the time when we unleashed the Power of One.

The modern history of your Company began 5 years ago, when you voted to merge three wholly owned AkzoNobel companies in India with your Company in 2011-2012. With this, we unleashed the Power of One, which is the theme we have chosen for this year's meeting. 'One AkzoNobel' has delivered fully against its promise, leveraging the tremendous opportunities it presented, to fulfil our mission to bring high quality, everyday essentials, to all our customers.

Performance has once again set our Company apart as an integrated solutions provider with unique advantages. In the face of continuing global uncertainties and turbulence of various fronts, with our unmatched portfolio of brands, and our culture of continuous improvement, innovation and operational excellence, your Company has grown and delivered sustained value to shareholders. What we do next, will take us from where we are now to where we deserve to be.

In the period following the merger five years ago, we rolled multiple synergies into various company operations. The results are reflected in a healthy top line growth in these past five years, with profit from our businesses growing in tandem.

With growing confidence, last year we raised the normal dividend from 15 rupees to 20 rupees a share. Already, in two of the last five years, we have given shareholders special dividends, and this year, based on our consistently improving performance which has enabled us to build a good cash surplus, we are recommending another special dividend of 50 rupees in addition to a regular dividend of 20 rupees a share.

Consider this. Having completed 51 years of listing, your Company is one of the earliest multinationals in India to have sought listing on an Indian Stock Exchange. With this year's dividends, your Company would deliver a total shareholder return of 97 percent since the merger, well ahead of the value created by the benchmark Sensex index which delivered a growth of 27 percent in the same period. When we met in August last year, our share price was Rs 1390. Today it is hovering around Rs 1540 a growth of 11 percent, after factoring in the special dividend. And at Rs 290 crores last year, the profit of our business is the highest ever. We are equally confident of being able to generate sufficient resources in the coming year to support our growth plans.

But, as you know well, the global economy is by no means out of the woods. Uncertainties continue in currency and commodity markets. Violence, fuelled by racial and religious tensions are widespread. Over capacities in China continue to loom large. Both the UK and US will have new governments this year.

So we expect 2016-17 to bring its own set of challenges, requiring us to be alert and agile. Yet, India, with its growth rate of over seven per cent, is the fastest growing major economy in the world. This reveals a resilience that augurs well for our industry. The Prime Minister's initiatives should work to our advantage, especially schemes such as Smart Cities and Skill India. The country's investment in new infrastructure projects will certainly provide a boost to the coatings industry. The eventual implementation of GST, long overdue, will enable us to build supply chain efficiencies. As an integrated coating company, these positive steps will help the company reach even higher goals.

History has taught us that the winner is never alone; it is the achievements of many that add up to a singular success story. Helping others grow is a part of what we do. At AkzoNobel, issues such as health, education, livelihood and environment have always been of great significance.

This year saw the launch of our flagship CSR project, The AkzoNobel Paint Academy. This takes our skill-building initiative to the next level, keeping with the Government of India's Skill India programme. We have four state-of-the-art training centres in Delhi, Kolkata, Bengaluru and Mohali, where young participants and professional painters are taught modern methods of applying decorative paint and vehicle refinish. These are skills that are much in demand in a growing India. Those who have taken this vocational course not only gain a marketable skill, they also get a sense of self-esteem which takes them closer to their individual goals.

Education, we believe, forms the foundation of every growing nation. A lack of quality education is a massive hurdle that can, literally, block the forward movement of a country such as India. With this fundamental in mind, AkzoNobel has reached out to those in need. Our Parivartan project in the Badshahpur village of Gurgaon, Haryana, currently in its first phase, is designed to benefit 600 underprivileged children between the ages of two and twelve. Parivartan is also active in Gwalior, Madhya Pradesh and Mahad, Maharashtra. The idea here is to provide early childhood, remedial and non-formal education. Early childhood education was at the forefront of our projects in Hyderabad and Bengaluru as well, where we worked towards making government-run pre-schools more child-friendly. We have also launched Disha Pari Udaan in 12 government schools in Bengaluru to ensure that adolescent girls complete 10 years of schooling and that urban slum communities realise the significance of girls' education.

And in the field of Health, our partnership with St. Jude India ChildCare Centers continues to prosper. Following the opening of the Centre at Premashraya in Kolkata last year, an AkzoNobel Centre at the new Cotton Green Campus of the Mumbai Port Trust is slated for inauguration later this year.

Your Company's operational landscape in India is impressive, comprising six state of the art manufacturing plants, two innovation centres, four regional offices, 88 warehouses and a dealer/partner network of over 9000. We have a motivated team of 1800 employees who are, in turn, backed by the brands, technical knowhow, and world class systems and processes of AkzoNobel.

Our greenfield investment in the Narmada factory in Gwalior; the brown-field expansion in the factory in Bengaluru; specialised labs for Agrochemicals and Asphalt at Thane all underline the commitment we have made, and continue to make, towards the Indian customer.

We know we cannot make it alone. It is this partnership that we cherish and nurture. So, not only are we a stronger, well-knit unit, we make every endeavour to extend a hand in partnership to all. Every employee knows this, and works towards this. I thank each member of our team for making this journey so fulfilling. I also extend my gratitude to our valued shareholders, loyal customers, banks, supply chain partners and all other stakeholders. You are all an intrinsic part of our success story.

Please continue to inspire us. It is your energy and motivation that will propel One AkzoNobel to greater heights.

Thank you for being here. God bless you all.

Annexure 2

Notice of Annual General Meeting

Notice is hereby given that the 62nd Annual General Meeting of the Members of Akzo Nobel India Limited will be held on Tuesday, 26 July 2016 at 1400 hours at Hotel Hyatt Regency, JA-1, Sector III, Salt Lake City, Kolkata-700 098, to transact the following business:

Ordinary Business

1. To consider and adopt the audited financial statements for the year ended 31 March 2016 and the Reports of the Directors and Auditors thereon.

2. To declare a Dividend on equity shares for the year ended 31 March 2016.

3. To appoint a Director in place of Mr Arabinda Ghosh who retires by rotation. Being eligible, he has offered himself for re-appointment as a Director of the Company. Accordingly, to consider and, if thought fit, pass the following resolution as an ordinary resolution:

"Resolved that Mr Arabinda Ghosh (DIN 07194797) be and is hereby re-appointed a Director of the Company."

Special Business

4. To appoint Auditors for the year 2016-17 and to fix their remuneration and for this purpose to consider and, if thought fit, pass the following resolution as an ordinary resolution:

"Resolved that M/s Price Waterhouse Chartered Accountants LLP, (ICAI FRN 012754N/ N500016), be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company at the remuneration as given below:

Statutory audit	Rs 5.0 million
Statutory certification	Rs 1.5 million

In addition, reasonable out-of-pocket expenses and service taxes as applicable may also be reimbursed to the Auditors. Any other fees for certification and other permissible services may be billed by the Auditors at such rates as may be agreed between the Auditors and the Company."

5. To approve the appointment of Mr Pradip Kumar Menon as a Wholetime Director of the Company and fix his remuneration:

The Board, vide its resolution dated 29 January 2016, has appointed Mr Pradip Kumar Menon as a Wholetime Director of the Company for a period of five years with effect from 1 February 2016, subject to the approval of the members at the next general meeting of the Company.

A notice under Section 160 of the Companies Act, 2013 has been received from a Member along with the requisite fees, proposing Mr Pradip Kumar Menon's name for being appointed as a Director of the Company.

Accordingly, the members may consider and, if thought fit, pass the following resolution as an ordinary resolution:

Resolved that this Meeting hereby approves the appointment of Mr Pradip Kumar Menon (DIN07417530) as a Wholetime Director of the Company, in terms of sections 196, 197, 203 and other applicable provisions, read with Schedule V of the Companies Act, 2013, for a period of five years with effect from 01 February 2016 and payment of such remuneration to Mr Pradip Kumar Menon during the tenure of his appointment as set out in the agreement dated 01 February 2016 entered into between him and the Company, a copy of which was placed before the Meeting."

6. To ratify payment of remuneration to Cost Auditors: To consider and if thought fit, pass the following resolution as an ordinary resolution:

"Resolved that the remuneration of Rs 0.75 million, in addition to reimbursement of travel and out-of-pocket expenses, to M/s Chandra Wadhwa & Co., Practicing Cost Accountants, holding registration number 00239 allotted by The Institute of Cost Accountants of India, appointed as the Cost Auditors of the Company for the year 2016-17 by the Board of Directors, be and is hereby ratified."

By order of the Board

-sd-
R Guha
Company Secretary

Gurgaon
13 May 2016

Notes

i) **A member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote instead of him but the Proxy shall not have any right to speak at the meeting. A Proxy need not be a member of the Company.**

The Proxy form, in order to be effective, should be received at the registered office of the Company or at the office of its Registrar and Share Transfer Agent M/s C B Management Services (P) Ltd, (the 'RTA'), P-22, Bondel Road, Kolkata 700 019 not later than 48 hours before the commencement of the Meeting.

ii) The Register of Members and Share Transfer books of the Company will remain closed from 21 July 2016 to 26 July 2016 both days inclusive.

iii) Dividend, if approved at the Meeting, will be paid on or around 8 August 2016 by means of direct bank credit (ECS) or dividend warrants;

a. In respect of shares held in electronic form, to the beneficial owners of shares as on 20 July 2016 as per the downloads furnished to the Company by the depositories for this purpose;

b. In respect of shares held in physical form, to those members whose names appear on the Company's Register of Members after giving effect to all valid stock transfers lodged with the Company before closing hours on 20 July 2016.

iv) As per current SEBI Regulations, dividend is required to be credited to shareholders through Electronic Clearing Service (ECS) wherever the facility is available and the requisite details/mandates have been provided by the Members. Members who are yet to provide their bank details are requested to send the details of their bank account details (account number, bank name, bank address, MICR Code and IFSC Code) to their Depository Participants (in case of shares held in dematerialized form) or to the RTA (in case of shares held in physical form) at the

earliest.

v) Members having shares registered in the same name or in the same order of names but in several folios, may please write to the RTA for consolidation of the folios.

vi) Members holding shares in physical form and are desirous of making nomination in terms of Section 72 of the Companies Act, 2013, may write to the RTA for the prescribed form.

vii) Members/Proxy holders must bring the Attendance Slip to the Meeting and hand it over at the entrance, duly signed. A blank format is appended to the Annual Report.

viii) Members who wish to obtain any information on the Company or the Accounts may visit the Company's website: www.akzonobel.co.in or may send their queries at least 10 days before the date of the Meeting to the Company Secretary at the Company's Corporate Office at DLF Epitome, Tower A, 20th Floor, Cyber City, DLF Phase III, Gurgaon 122 002.

ix) Pursuant to the provisions of Section 124 of the Companies Act, 2013, dividends which remain unpaid or unclaimed for a period of 7 years will be transferred to the Investor Education and Protection Fund (the 'Fund') of the Central Government. Shareholders who have not encashed the dividend warrants so far, for the financial year ended 31st March 2009 or any subsequent financial years, are requested to send un- encashed dividend warrants, to the RTA for necessary action. Separate intimations have been sent to those Members whose dividend cheques remain outstanding as on 31 March 2016. All unclaimed dividends in respect of Financial Year 2008-09 onwards are due for transfer to the Fund on expiry of seven years from the date they fell due. Pursuant to the provisions of Section 125 of the Companies Act, 2013, any claim in respect of unclaimed Dividend after the said transfer, shall be made to the relevant authority nominated by the Central Government for administration of the Fund.

x) Pursuant to section 108 of the Companies Act 2013, read with the Companies (Management and Administration) Rules 2014, the Company is pleased to offer e voting facility to the members to cast their votes electronically on all resolutions set forth in this Notice. The Company has engaged the services of National Securities Depository Limited (NSDL) to provide the e voting facility.

Complete details of e-voting are annexed to this notice.

Brief profile of Directors to be appointed/ re- appointed and explanatory statement pursuant to Section 102 of the Companies Act, 2013

Item No. 3
Mr Arabinda Ghosh

Mr. Arabinda Ghosh is a non executive Director since May 2015. He was appointed in the casual vacancy caused by the resignation of Mr Rob Molenaar, who was appointed as a Director at the AGM held on 11 August 2014. In terms of section 152 of the Act, Mr Ghosh will retire by rotation at this AGM and is eligible for re-appointment.

Mr Ghosh is a member of the Audit, and Nomination & Remuneration Committees of the Board. He does not hold any shares in the Company.

Apart from Akzo Nobel India Limited, Mr AB Ghosh is not a member in the Board of any other company.

Mr Arabinda Ghosh is currently the Managing Director of AkzoNobel Surface Chemistry business. He brings considerable experience with him from his current role and also previous roles in Finance and General Management in the global business units of Powder Coatings, Automotive and Aerospace Coatings, Marine & Protective Coatings and Metal Coatings Divisions.

Mr Ghosh was born in New Delhi, India in 1962, and had spent his youth in Thailand after which he moved to the UK to complete his schooling. Mr Ghosh qualified as a Chartered Accountant while working at Deloitte in Bristol, UK.

The Board recommends the resolution. Except Mr Arabinda Ghosh, no other Director has any interest or concern in this resolution.

Special Business

Item No. 4
Appointment of Statutory Auditors

M/s BSR & Associates LLP, Chartered Accountants, the retiring Auditors have advised that they will not be offering themselves for re-appointment at the forthcoming Annual General Meeting. Their present appointment, approved by the shareholders at the Annual General Meeting held on 14 August 2015 will be valid upto the forthcoming AGM to be held on 26 July 2016.

In light of the above, the Company evaluated the options available to replace the Auditors and have shortlisted M/s Price WaterHouse Chartered Accountants ('PW') to be considered for appointment as the Auditors of the Company at the forthcoming AGM. PW have conveyed their eligibility and consent to be appointed as the Auditors of the Company in terms of section 139 of the Companies Act 2013 at such remuneration as specified in the resolution.

The Board recommends the resolution. None of the Directors has any interest or concern in this resolution.

Item No. 5
Appointment of Mr Pradip Kumar Menon as Wholetime Director

Born in 1968, Mr Pradip Kumar Menon ('Mr Pradip Menon/ Mr Menon') is a Chartered Accountant and a Cost & Management Accountant by qualification, with over 23 years of excellent track record and diverse experience in Finance across geographies within and outside India.

He was most recently the Vice President Finance, Global Procurement of Unilever and a member of Global Procurement Leadership team based out of Switzerland before which he was the CFO for the Unilever Gulf business during 2009-2012. He has also worked in Singapore as the Unilever Regional lead for the Sarbanes Oxley implementation across Asia and Africa as well as setting up the first Information Management office for Unilever in Bangalore. He joined Hindustan Unilever as a Management Trainee in 1992 and has moved across various roles in finance function before his expatriation.

The remuneration and other terms relating to Mr Menon's appointment as a Wholetime Director of the Company are contained in the agreement dated 1 February 2016 between Mr Menon and the Company (the 'Agreement'). The key terms of Mr Menon's appointment are set out below:

1. Term

Five years with effect from 1 February 2016, subject to the rules of the Company.

2. Emoluments

Mr Pradip Menon shall be entitled to receive from the Company the following remuneration, subject to the overall limits specified herein and as laid down in sections 197 and 198 of the Companies Act, 2013 (the "Act"):

a) Base Salary

Basic Salary: Rs 432,000 per month

Allowances including Leave Travel Allowance: Rs 216,000 per month

Sign-on Bonus

Mr Pradip Menon will be a paid once off lump sum amount of Rs 4,000,000 within first month of his joining the Company, which shall be recoverable in full in the event of his leaving the services of the company within two years.

b) Commission/ Annual Bonus and Deferred Performance Pay (Long Term Incentive Plan)

As may be approved by the Board for each financial year based on the net profit of the Company for that year, computed in the manner laid down in section 198 of the Act and after taking into account all relevant circumstances.

c) Perquisites

The following perquisites would be provided by the Company, subject to tax as applicable:

i) Accommodation: Provision of residential accommodation subject to the Rules of the Company.

ii) Car and Telephone: Provision of car for use on Company's business and telephone at residence. These will not be considered as perquisites. However, personal long distance calls on telephone shall be billed by the Company.

iii) Contribution to Retiral Benefit Funds

a) Mr Pradip Menon will become a member of the Alkali & Chemical Corporation of India Provident Fund with the Company's contribution not exceeding the limit permissible under law (currently 12% of the salary).

b) Mr Pradip Menon will be entitled to pension benefits in accordance with the Pension Fund Rules applicable to the Company's Management Staff under the Defined Contribution Scheme. The Company's contribution will be 15% of his Basic Salary.

Provided however that the contributions to the Pension Fund shall not, together with the Company's contribution to the Provident Fund, exceed the maximum limit permissible under law.

c) Mr Pradip Menon will be entitled to Gratuity in accordance with the Gratuity Fund Rules applicable to the Company's Management Staff not exceeding half a month's salary for each completed year of service.

iv) **Club Fees:** Fees of a maximum of one club.

v) **Leave:** Leave on full pay and allowances, as per rules of the Company, but not

exceeding 22 days leave for every 12 months of service.

vi) **Encashment of Leave:** In accordance with the Company's rules.

vii) **Medical Benefits:** Reimbursement of expenses actually incurred for self and family.

viii) **Personal Accident/Medical Insurance:** As per Company policy.

For calculating the monetary value of the perquisites, they shall be valued as per Income Tax Rules wherever applicable and in the absence thereof, at cost.

Mr Pradip Menon shall have the option to forego any of the perquisites as above and opt for an allowance in lieu thereof, as per rules of the Company and as approved by the Board.

The Board may review and determine from time to time any revision and/or modification in the above perquisites during the tenure of his appointment.

The aforesaid remuneration shall be subject to the limit of Rs 1.2 million per month plus perquisites and Commission/ Annual Bonus/ Deferred Performance Pay, which taken together shall not exceed 250% of the aforesaid limit, as specified in the resolution approved by the shareholders at the Annual General Meeting held on 22 July 2011.

For the purpose of calculating the ceiling as above, encashment of leave at the end of tenure, expenses on account of car and telephone for official duties, Company's contribution to Retiral Benefit Funds to the extent not taxable under the Income Tax Act, shall not be taken into account.

3. The Board while approving any change in the remuneration of Mr Pradip Menon in his Base Salary, Commission/ Annual Bonus and Deferred Performance Pay (Long Term Incentive Plan) and Perquisites,
may take into account the recommendations of the Nomination & Remuneration Committee.

4. **Minimum Remuneration**

In the event of absence or inadequacy of profit of the Company in any financial year, Mr Pradip Menon will be entitled to receive such minimum remuneration as is permissible under the provisions of the Act.

5. **Termination**

The Agreement provides that either party may terminate the appointment by giving to the other three months' previous notice in writing or such other shorter period as may be mutually agreed between the Board and Mr Pradip Menon.

6. **Duties and Obligations**

The Agreement also sets out the duties and obligations of Mr Pradip Menon.

7. **Sitting Fees**

Mr Pradip Menon will not be entitled to receive Sitting Fees from the Company for attending Meetings of the Board of Directors or any Committee thereof.

8. **Approval of the Company in General Meeting**

Mr Pradip Menon's appointment as a Wholetime Director and the remuneration payable to him, as aforesaid, is subject to the approval of the Members in General Meeting and to the extent any of the provisions herein are inconsistent with or contrary to the terms of such approval, the latter shall prevail.

If and when this Agreement expires or is terminated for any reason whatsoever, Mr Menon will cease to be the Wholetime Director and also cease to be Director of the Company. If at any time, Mr Menon ceases to be Director of the Company for any reason whatsoever, he will cease to be the Wholetime Director and this agreement will forthwith terminate. If at any time, Mr Menon ceases to be in the employment of the Company for any reason whatsoever, he will cease to be

Director and Wholetime Director of the Company.

The appointment of Mr Pradip Kumar Menon as a Wholetime Director and the remuneration payable to him as aforesaid are required to be approved by the shareholders at this Annual General Meeting in terms of sections 196 and 197of the Act. This resolution is intended for the purpose.

The terms of Mr Pradip Menon's appointment are more fully set out in the said Agreement dated 1 February 2016, which will be available for inspection by any member at the registered office of the Company between 10 am to 12 noon on any working day (excluding Saturdays) prior to the date of the Annual General Meeting as well as at the Meeting.

The Board recommends the resolution. Except Mr Pradip Kumar Menon, no other Director has any interest or concern in the resolution.

Item No. 6
Payment of Remuneration to Cost Auditors
The Board, at its meeting held on 13 May 2016, appointed M/s Chandra Wadhwa & Co., practicing cost accountants, holding registration number 00239 allotted by The Institute of Cost Accountants of India, as cost auditors of the Company, in terms of section148 of the Companies Act 2013 and fixed a sum of Rs 0.75 million as remuneration payable, for the financial year 2016-17.

The remuneration, as recommended above is required to be ratified by the shareholders of the Company,
as per the requirements of the Companies (Audit and Auditors) Rules 2014, read with Section 148(3) of the Companies Act, 2013.

The Board recommends the ordinary resolution for ratification by the shareholders of the Company. None of the Director has any concern or interest in the resolution.

Annexure 3

Members who spoke at the AGM

Sl no.	Name	DP-Client/Folio
1	Mr Aribanda Basu	IN30044110745793
2	Mr Jaydip Bakshi	IN30210510613696
3	Mr Biswendra Narayon Kundu	BNK024
4	Mr Sarbananda Gattani	IN30044110570834
5	Mr Vivek Sukhani	IN30210510498104
6	Mr Manoj Kumar Gupta	MKG044
7	Mr Ashok Kumar Roy	IN30085310008365
8	Mr Krishnendu Das	IN30026310064688
9	Mr Amit Kumar Banerjee	IN30032710068402
10	Mr Satya Narayan Pal	1203450000021620
11	Mr Amiya Nath Sein	ANS043
12	Mr Anindya Sunder Roy	1203450000668221
13	Mr Ram Gopal Chakraborty	1204720003129196